

Dear Professional Colleague,

Government notifies September 12, 2016 as the appointed date for GST Council Provisions

The Central Government vide **Notification S.O. 2915(E).- [F. No. 31011/09/2015-SO (ST)] dated September 10, 2016**, has appointed 12th day of September, 2016 as the date on which the provisions of Section 12 of the Constitution (101st Amendment) Act, 2016 (“**the Constitutional Amendment Act**”) shall come into force.

In terms of Section 12 of the Constitutional Amendment Act (i.e. insertion of new Article 279A), the President shall within 60 days, from date of commencement of the Constitutional Amendment Act, by order, constitute a Council to be called the Goods and Services Tax Council (“**GST Council**”). Further, Section 1(2) of the Constitutional Amendment Act empowers the Central Government to appoint, by notification in the Official Gazette, different dates for different provisions of this Act.

Now, with September 12, 2016, being notified as the appointed date for Section 12 of the Constitutional Amendment Act, GST Council shall be constituted within 60 days from September 12, 2016.

GST Council – Composition, recommendations and weighed votes

The GST Council shall comprise of the Union Finance Minister as Chairperson, MOS–Revenue/Finance and State Finance Ministers as Members of the GST Council, which will make important recommendations to the Union and the States on the following:

- a) The taxes, cesses and surcharges levied by the Union, the States and the local bodies which may be subsumed in GST;
- b) The goods and services that may be subjected to, or exempted from GST;
- c) Model GST Laws, principles of levy, apportionment of GST levied on supplies in the course of inter-State trade or commerce under Article 269A and the principles that govern the place of supply;
- d) The threshold limit of turnover below which goods and services may be exempted from GST;
- e) The rates including floor rates with bands of GST;
- f) Any special rate or rates for a specified period, to raise additional resources during any natural calamity or disaster;
- g) Special provision with respect to the States of Arunachal Pradesh, Assam, Jammu and Kashmir, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura, Himachal Pradesh and Uttarakhand; and
- h) Any other matter relating to GST, as the GST Council may decide

The GST Council shall also recommend the date on which the GST be levied on petroleum crude, high speed diesel, motor spirit (commonly known as petrol), natural gas and aviation turbine fuel.

Every decision of the GST Council shall be taken at a meeting, by a majority of not less than 3/4th of the weighted votes of the members present and voting, in accordance with the following principles, namely:—

- a) The vote of the Central Government shall have a weightage of 1/3rd of the total votes cast, and
- b) The votes of all the State Governments taken together shall have a weightage of 2/3rd of the total votes cast,

in that meeting.

Now, following legislations—Central GST (CGST) and Integrated GST (IGST) will have to be passed by Parliament and a State GST (SGST) legislation by each of the State Legislatures. The States and the Centre are working overtime and talking to stakeholders to draft the CGST, SGST and IGST laws, which are to be passed in the Winter Session of Parliament in November this year.

To access the Notification, please click on the link below:

<http://www.a2ztaxcorp.com/wp-content/uploads/2016/09/Notification-SO-2915E-dated-September-10-2016-1.pdf>

Video Presentations on GST

- **Highlights of Draft GST Law, 2016:** <https://www.youtube.com/watch?v=7ByfCXugAk0>
- **Presentation on Draft GST Law - Levy, Taxable Event: Supply, Taxable Person, Composition Scheme:** <https://www.youtube.com/watch?v=XrWHZMZf8GQ>
- **GST impact & preparedness for Service sector:**
<https://www.youtube.com/watch?v=0Hwh92GSm-A>

Hope the information will assist you in your Professional endeavours. In case of any query/information, please do not hesitate to write back to us.

Thanks & Best Regards,

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